Task force for foreign telecasting companies

1377. SHRI RAMA MUNI REDDY SIRIGIREDDY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government are considering to set up a task force to look into the foreign telecasting companies in connection with their non-resident taxation;

(b) if so, the details thereof; and

(c) the details of companies which have refused to pay citing reasons that they do not have any permanent establishment in India?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes Sir. The Government of India has constituted an Emerging Issues Task Force headed by Director General of Income Tax (International Taxation). The issue of taxation of foreign telecasting companies is one of the terms of reference of the Task Force. The Task Force is yet to submit its recommendations on this issue.

(c) In term of the Income Tax Act, the foreign telecasting companies are liable to pay taxes and these taxes are being collected in the form of 'tax withholding' at the time remittances being made to the foreign companies. However, most of these companies are disputing their tax liability on the ground that they do not have a permanent establishment in India.

Promotion of silk industry in Karnataka

1378. SHRIMATI PREMACARIAPPA: Will the Minister of FINANCE be pleased to state:

(a) the role being played by five Kamataka-based Public Sector Banks to promote the silk and silk industry in the State, bank-wise;

(b) whether each bank has special plans in this regard; and

(c) if so, the details thereof, bank-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Each of the five Karnataka based Public Sector Banks have special plans to promote silk and silk industry in Karnataka.

The Canara Bank branches prepare a Branch Credit Plan each financial year. This plan specifically stipulates the amount to be disbursed to various activities under Sericulture.

The Corporation Bank has formulated Corp Kisan tie-up Scheme under which arrangements to farmers engaged in various activities including Sericulture are included.

The Syndicate bank also includes silk & silk industry in its SSI schemes and has advanced substantial amounts to this sector.

The Vijaya Bank ensures that the entire requirements of sericulture farmers & silk industry are met through various schemes of the bank, under agriculture or under SSI.

The State Bank of Mysore has a Special Plan for promotion of silk and silk industry for financing of mulberry cultivation etc.

Aid to farmers by banks in Kamataka

1379. SHRIMATI PREMA CARIAPPA: Will the Minister of FINANCE be pleased to state:

(a) what role the five Public Sector banks based in Karnataka have played during the last three years to mitigate the hardships of farmers and village artisans who have consistently been affected by worst drought conditions in the State, year-wise and bank-wise; and

(b) the number of persons benefitted, district-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The information is being collected and will be laid on the Table of the House.

Import of obsolete medical equipments

1380. SHRI DARA SINGH CHAUHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of misuse of the ten year limit rule by importers of refurbished medical equipment wherein outdated equipment is being imported and released regularly from cargo terminal at Delhi, IGI Airport by the customs;